Bibliographies

Selected Recent Cases

by

Robert W. White
Professor
Richard Ivey School of Business

February 2, 2000

Tittle:	ATS INC.
Author(s):	Robert W. White, Brian Ginsler and Nicole Piscione
Number:	9B00N001
Length:	24 pages
Teaching Note:	8B00N001
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	2000-01-26
Event Date:	March 1992
Area:	Corporate Finance
Type:	Field
Key Words:	Capital investment; Acquisition strategy; Merchant banking
Abstract:	Ontario Teachers' Pension Plan Board's Merchant Banking Group (MBG), looked through an information memorandum on ATS Inc. (ATS). The senior management of ATS were interested in acquiring certain non-core assets of its parent company Aer Lingus plc, of Dublin, Ireland. Aer Lingus made its investment in ATS in 1985 following a policy of diversification from its inherently cyclical core business of air transportation. However, the board of directors of Aer Lingus had recently determined that Aer Lingus should focus primarily on its core European businesses. Consequently, Aer Lingus had agreed to sell its shares of ATS to the management and employees of ATS pursuant to a binding letter of intent being executed. The focus of the case is whether the MBG should participation in the deal and if so on what terms.

Tittle:	BC SUGAR REFINERY, LIMITED
Author(s):	Robert W. White, Michael Hays and Gillian Pinchin
Number:	9A99N028
Length:	21 pages
Teaching Note:	8A99N028
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1999-07-28
Event Date:	May, 1997
Area:	Corporate Finance
Type:	Field
Key Words:	Acquisitions; Deal Structuring; Securitization
Abstract:	BC Sugar Refinery Limited (BC Sugar), one of only two major sugar refineries in Canada, has become embroiled in a takeover battle that pits Jimmy Pattison, a flamboyant Vancouver billionaire against Stuart Belkin of Balaclava Enterprises. After Pattison had all but sealed up the deal with a $15/share bid, Belkin has now approached Seth Mersky of Onex Corporation (Onex) for assistance in raising the ante. Mersky, on behalf of Onex, must evaluate the attractiveness of the industry, the company and any possible financing alternatives in order to calculate the value inherent in the transaction. Pattison's bid will expire on June 26, 1997. However, due to the fact that a large percentage of the shares had already been tendered to the competing bid, Onex's decision must be made within the next few days.

Tittle:	CADILLAC FAIRVIEW INC.
Author(s):	Robert W. White and Mark Hoogeveen
Number:	996B013
Length:	17 pages
Teaching Note:	896B013
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1998-02-06
Event Date:	January 1995
Area:	Corporate Finance
Type:	Field
Key Words:	Restructuring; Creditor protection; Vulture funds
Abstract:	JMB Realty Corporation of Chicago purchased Cadillac Fairview Inc. (Cadillac) in a leveraged buyout from the Montreal based Bronfman family. Cadillac had been attempting to develop a restructuring plan since the fall of 1993 when it anticipated that it would default on its bank debt. One of Cadillac's key creditors, the Whitehall Street Real Estate Limited Partnership, managed by Goldman Sachs & Co., had just forced Cadillac to seek protection from its creditors under Canadian insolvency law. Accordingly, Cadillac was now required to submit to the Ontario General Court a plan to restructure its financial obligations within 30 days that it hoped would have the support of its various stakeholder groups.

Tittle: CIBC WOOD GUNDY SECURITIES INC. — JOHN LABATT LIMITED

Author(s): Robert W. White, Scott Watson and David Ager

Number: 996B047

Length: 34 pages

Teaching Note: 896B047

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1998-04-21

Event Date: May 1995

Area: Corporate Finance

Type: Field

Key Words: Take-over bids; Value Enhancement; Sum-of-the-parts valuation

Abstract: LBT Acquisition Corp. (LBTAC) made a C$24.00 per share hostile takeover bid for John Labatt Limited (JLL). JLL was a management holding company which was, through subsidiaries and divisions, primarily engaged in the production and sale of beer in Canada, the United States and Italy and the sale of beer in the United Kingdom, Mexico and other countries. LBTAC was a subsidiary of Onex Corporation, a Toronto-based conglomerate. Of course, this raised the question of whether another brewer (Interbrew, Heineken, Anheuser-Busch, ...) existed that might perceive more strategic value between itself and JLL. Is a strategic buyer the best alternative? The challenge facing the financial advisors was to structure a deal in order to maximize shareholder value.

Tittle:	CITIBANK CANADA LTD.– MONETIZATION OF FUTURE OIL PRODUCTION
Author(s):	Robert W. White and Justin Pettit
Number:	995B032
Length:	17 pages
Teaching Note:	895B032
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1995
Latest Revision:	1998-02-19
Event Date:	December 1990
Area:	Corporate Finance
Type:	Field
Key Words:	Structured financing; Commodity SWAPs; Placement of paper
Abstract:	The focus of the case is on privately placing US$125 million of Special Purpose Trust (SPT) paper. The financing was to fund SPT's forward purchase of a portion of the future oil production of Petrolia Oil Corporation (Petrolia). This structure would allow Petrolia to hedge future oil production at an attractive price and because the forward sale prepayment would be treated as deferred revenue allow Petrolia to lower its debt.

Tittle:	CNCP TELECOMMUNICATIONS BUYOUT
Author(s):	Robert W. White and John Matovich
Number:	996B009
Length:	22 pages
Teaching Note:	896B009
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1998-04-21
Event Date:	September 1988
Area:	Corporate Finance
Type:	Field
Key Words:	Mediation process; Buyout; Strategic options
Abstract:	The focus of the case on developing a process to mediate a deal between two parties who were more familiar acting as competitors than as partners. In addition to having to deal with what might seem to some to be an insurmountable discrepancy in values, the task was all the more formidable given the extremely tight time frame that had been instituted; agreement-in-principle had to be reached within six weeks. What steps can a mediator take to help the parties bridge the value gap and negotiate to a successful conclusion.

Tittle:	NOTE ON COMMERCIAL BANKING
Author(s):	Robert W. Whit and Christopher C. Corinaldi
Number:	996B035
Length:	17 pages
Teaching Note:	No
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1997-11-14
Event Date:	NA
Area:	Corporate Finance
Type:	General Experience
Key Words:	Bank lending; Credit risk; Structuring credit
Abstract:	Commercial banks provide financing assistance to businesses of all types and sizes, primarily in the form of loans and other types of credit facilities. This note begins with a discussion of the traditional role of commercial banks. It then describes the credit risk management process of assessing credit risk, structuring the credit facility, pricing credit risk, and maintaining the credit facility. The final section describes some of the key trends that are changing the nature of commercial banking. Appendix A describes specialized credit products.

Tittle:	CONAGRA, INC.
Author(s):	Robert W. White, Rob Barbara and Lisa Newey
Number:	996B037
Length:	17 pages
Teaching Note:	896B037
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1998-04-20
Event Date:	October 1995
Area:	Corporate Finance
Type:	Field
Key Words:	Take-over bid; Price changes and information flows; Negotiation tactics
Abstract:	Ann Watson, Vice President, Corporate Finance with Bunting Warburg Inc. had just received a Directors' Circular issued by the Canada Malting Co. Limited (CMCL). The circular had been issued the previous day and recommended the rejection of an offer by Bunting Warburg's client to purchase the shares of CMCL. One week earlier, the client, ConAgra, Inc. (ConAgra) of Omaha, Nebraska, the second largest food processor in the United States, offered to acquire all of the outstanding common shares of CMCL at a price of C$20.00 per share. She, along with David Macdonald, head of Corporate Finance in Toronto and Brian Hanson of S.G. Warburg in New York, had worked on structuring the offer. Now that the offer had been rejected, Ann's challenge was to advise ConAgra on how to proceed from this point.

Tittle:	DARROW ALUMINUM INC. — THE LAMINATED PRODUCTS COMPANY SPIN-OFF
Author(s):	Robert W. White,
Number:	996B020
Length:	16 pages
Teaching Note:	896B020
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1997-06-12
Event Date:	August 1994
Area:	Corporate Finance
Type:	Field
Key Words:	Management buyout; Valuation; Financing

Abstract: Steven Dillon, as a silent partner of a management buyout (MBO), had spent a considerable amount of time on the phone with investors and bankers from New York to Florida trying to attain the financing required for the MBO. The company in question, some 2,000 miles away in Nashville, Tennessee, had the potential of becoming his proverbial "pot of gold at the end of the rainbow." A number of financing alternatives had surfaced and Dillon was anxious to get a satisfactory deal arranged as soon as possible. His primary goal was to secure equity investors before attaining debt financing, as he was confident in the project's attractiveness to debt providers.

Tittle: EDMONTON TELEPHONES CORPORATION

Author(s): Robert W. White, Martin Stapleton and Blaine Mytruk

Number: 996B012

Length: 25 pages

Teaching Note: 896B012

Spreadsheet: Yes

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1999-08-06

Event Date: November 1994

Area: Corporate Finance

Type: Field

Key Words: Value enhancement; Sum-of-the-parts valuation; Valuing emerging businesses

Abstract: The focus of the case is the form of divestiture of Edmonton Telephones Corporation (ED TEL). TELUS Corporation (TELUS) made a proposal to purchase the city-owned utility (an earlier bid by TELUS was rejected as inadequate). An issue following the earlier bid was how to get a fair price. A prospectus for an initial public offering of the shares of ED TEL had been filed with the securities commissions in Canada. The decision point in the case whether to proceed with the IPO or go ahead with an outright sale, a decision that would have to be made before the planned road show promotion in a week.

Tittle: FOUR SEASONS HOTELS AND RESORTS INC.

Author(s): Robert W. White and Rick Johnston

Number: 9A99N035

Length: 26 pages

Teaching Note: 8A99N035

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1999

Latest Revision: 1999-08-07

Event Date: January 1997

Area: Corporate Finance

Type: Field

Key Words: Financial strategy; Global offering; Financial execution

Abstract: Four Seasons Hotels and Resorts Inc. had grown significantly during the past 20 years, and most recently, had fundamentally changed the nature of its business from hotel ownership to hotel and resort management. The focus of the case is on what more could be done to enhance the value of the firm? Should an equity offering be undertaken? Was the timing right? Who should be the underwriters? What should be the criteria for selecting one underwriter over another? Should it be a global equity offering or should it be kept in Canada? Would a debt refinancing be a better alternative? What would be the advantage of one over the other? Who should be the target buyers? What would the impact of each choice be on shareholder value?

Tittle:	THE GILLETTE COMPANY'S ACQUISITION OF DURACELL INTERNATIONAL INC. – COST OF CAPITAL
Author(s):	Robert W. White and Anna Garcia (Matveeva)
Number:	997N012
Length:	16 pages
Teaching Note:	897N004
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1997
Latest Revision:	1998-06-13
Event Date:	September 1996
Area:	Corporate Finance
Type:	Library
Key Words:	Risk assessment; Cost of capital measurement; Acquisition
Abstract:	The focus of the case is on the estimation of the cost of capital in the context of an acquisition (the case could also be used to analyse an acquisition). A good starting point is ask whose cost of capital to use? The context for the analysis is particularly rich due to the structural changes in Duracell (leverage buyout, initial public offering, company in play for a prolonged period), the structural changes in the battery industry, no pure plays in the battery industry and the potential synergies between Duracell and Gillette.

Tittle: GRAPHITE MINING CORPORATION

Author(s): Robert W. White, Richard Walker and Rod Graham

Number: 996B014

Length: 18 pages

Teaching Note: 896B014

Spreadsheet: Yes

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1998-02-20

Event Date: June 1995

Area: Corporate Finance

Type: Field

Key Words: Capital investment; Free cash flows; Cost of capital

Abstract: The focus of this case is on the prospect of acquiring the largest graphite deposit in Ontario, owned by Graphite Mining Corporation (GMC). GMC's U.S. parent company, the Jameson Corporation, had stopped mining operations in July of 1994 and then proceeded to sell its interest in GMC to Quebec-based graphite producer Graphcar Inc. Jameson claimed that soft market prices, poor management, and the lack of profitability caused it to divest its interest in GMC. On the surface the transaction seemed straightforward. Over the past five years, C$30 million had been spent in developing the mine and erecting a mill, and now Graphcar Inc. was prepared to sell the mill for C$1.5 million.

Tittle: HEALTHVISION CORPORATION

Author(s): Robert W. White and Mark Hoogeveen

Number: 996B044

Length: 23 pages

Teaching Note: 896B044

Spreadsheet: Yes

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1998-02-11

Event Date: June 1993

Area: Corporate Finance

Type: Field

Key Words: Divestiture; Restructuring; Pure play

Abstract: The Board of Directors (Board) of Biomira Inc. (Biomira) met to review the alternatives available to Biomira to maximize the value of its investment in HealthVISION Corporation (HealthVISION). Biomira owned 75 per cent of HealthVISION's common equity, a developer of health care information systems. Biomira was a public biotechnology company whose principal business focus was the development of products for the diagnosis and treatment of cancer. In 1992, in preparation for a cross-border equity offering, Biomira undertook an investor relations tour of the U.S. and Canada and met with a selection of institutional investors. Many of these investors openly asked why Biomira owned a controlling interest in HealthVISION as they saw no benefits to either company. As such, the Board was unsure if its ownership of HealthVISION was consistent with its core business, and if not, how it should manage HealthVISION going forward.

Tittle:	HONG KONG DOLLAR PEG
Author(s):	Robert W. White and Satish Asdhir
Number:	9A99N036
Length:	26 pages
Teaching Note:	No
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1999-10-20
Event Date:	September 1998
Area:	International Finance
Type:	Field
Key Words:	Foreign exchange exposure; Hedging; Exchange rate environments

Abstract: Ron Otsuki, Vice President Capital Markets Manulife Financial, knew that the Asian crisis was not over yet and that the currency speculators were targeting the Hong Kong dollar and shorting the Hang Seng Index. In recent months, similar speculative activities had resulted in Thailand, Malaysia and Indonesia floating their currencies, with investors flocking to safe havens. Otsuki was unsure about the future of the Hong Kong peg and was contemplating what stance he should take. It was widely accepted that if the peg broke, then the Hang Seng Index would fall by 30 to 40 per cent. Otsuki wanted to understand the risks to Manulife of the peg breaking. He wondered if there was an opportunity to create excess profit if the Hong Kong dollar was devalued and at the same time prevent Manulife's operations from being adversely affected. What alternatives were available to him and what might be the repercussions of his actions?

Tittle:	ICN PHARMACEUTICALS INC.
Author(s):	Robert W. White, Darryl Green and Branko Djordjevic
Number:	9A99N032
Length:	21 pages
Teaching Note:	8A99N032
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1999-08-07
Event Date:	May 1997
Area:	Corporate Finance
Type:	Field
Key Words:	Acquisitions; Tender bids; Emerging markets
Abstract:	ICN Pharmaceuticals Inc. (ICN) had submitted a bid to purchase Polfa Rzeszow (Polfa), the Polish state-owned pharmaceutical corporation. Three major pharmaceutical companies (Merck & Co., Inc., Hoechst Marion Roussel and ICN) were involved in the final round of bidding. ICN's bid was low by comparison. Under pressure from management, the Polish government asked ICN to resubmit its bid to make it more competitive with the other bids. Given the opportunity to rebid for Polfa , ICN was faced with deciding how much ICN should offer for the company and on what terms.

Tittle:	JV PARTNERS INC.
Author(s):	Robert W. White and Jeff Poulsen
Number:	9A99N034
Length:	4 pages
Teaching Note:	No
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1999-09-03
Event Date:	March 1999
Area:	Financial Markets
Type:	General Experience
Key Words:	Derivatives; Zero curves; Pricing
Abstract:	The focus of the case is on the pricing of fixed-floating interest rate SWAPS using theoretical spot rates (zero curves).

Tittle: LABRADOR MINING AND EXPLORATION COMPANY LIMITED

Author(s): Robert W. White, Steven Kroeker and Curt Sigfstead

Number: 9A98N007

Length: 25 pages

Teaching Note: 8A98N007

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1998

Latest Revision: 1998-03-10

Event Date: August 1995

Area: Corporate Finance

Type: Field

Key Words: Divestiture startegies; Leveraged buyout; Securitization

Abstract: Norcen Energy Resources Limited (Norcen) had decided to divest Labrador Mining and Exploration Company Limited (LM&E), whose principal assets were a 7 per cent gross overriding royalty (IOC Royalty) on all iron ore produced, sold, delivered and shipped by Iron Ore Company of Canada (IOC), an 11.98 per cent equity interest in IOC, and a 50 per cent interest in Hollinger-Hanna Limited. The financial advisors had suggested various divestiture alternatives, but the five alternatives under consideration were a private sale to a strategic buyer, a private sale to a financial buyer, a traditional public offering, a public offering of a royalty trust and a public offering of a yet untested instrument called an income fund.

Tittle: LEGACY HOTELS REAL ESTATE INVESTMENT TRUST

Author(s): Robert W. White and Glenn Luinenberg

Number: 9A98N004

Length: 31 pages

Teaching Note: 8A98N004

Spreadsheet: Yes

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1998

Latest Revision: 1998-03-10

Event Date: September 1997

Area: Corporate Finance

Type: Field

Key Words: Securitization;; Real estate investment trusts; Valuation

Abstract: Prior to commencing a road show to pre-market the Legacy Hotels Real Estate Investment Trust (Legacy) IPO, the financial advisor needed to estimate a current valuation range for the Units. This valuation was the first step in a process which would eventually lead to the pricing of the issue. Much of the difficulty in valuing the REIT related to the absence of comparable Canadian REITs. Although quite popular in the United States, there were only nine REITs currently trading on the Canadian markets. Most of the Canadian REITs had been recently created and focused on retail properties. The only pure play comparable was the Canadian Hotel Income Properties REIT, which had completed a $172.5 million initial public offering in June 1997. Comparable data for the United States REIT market are presented.

Tittle:	MERRILL LYNCH CANADA INC.– LIQUID YIELD™ OPTION NOTES
Author(s):	Robert W. White, K. Scott Dorsey and Bryan J. Mekechuk
Number:	996B008
Length:	19 pages
Teaching Note:	896B008
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1996-07-13
Event Date:	June 1990
Area:	Corporate Finance
Type:	Field
Key Words:	Security design; Complex securities; Options
Abstract:	The focus of this case is to examine the attributes of a complex. Pricing of the issue in terms of primitive securities and properties. Who would you place the paper with and why? Who would be a potential issuer and why? Under what market conditions is the paper likely to be successfully issued?

Tittle: NESBITT THOMSON DEACON INC. – THE SCEPTRE RESOURCES DEBENTURE

Author(s): Robert W. White and Peter Grosskopf

Number: 990B051

Length: 14 pages

Teaching Note: 890B051

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1990

Latest Revision: 1998-02-20

Event Date: March 1989

Area: Corporate Finance

Type: Field

Key Words: Risk and return; High yield debt; Convertible securities

Abstract: The focus of the case is whether to submit a bid for $11 million of Sceptre Resources Ltd. debentures. What made the offer interesting was that this seemed to be the first true "junk" bond issue in Canada — the issue had absolutely no covenants protecting the holder. The way it appeared, the paper carried with it significant profit potential for the holder if the company could operate profitably, and of course significant risk if events went in the opposite direction. In order to fully assess the possibilities of the deal, it was necessary to analyse the state of Sceptre's finances and business, the anticipated demand for such an issue, the fair market value of the paper and the spread which it could earn if the debentures were to be resold.

Tittle:	ONTARIO MUNICIPAL EMPLOYEES RETIREMENT SYSTEM
Author(s):	Robert W. White and William Jin
Number:	9A99N030
Length:	25 pages
Teaching Note:	8A99N030
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1999-08-08
Event Date:	June 1998
Area:	Corporate Finance
Type:	Field
Key Words:	Corporate governance; Executive stock options; Repricing

Abstract: Charles Coupal, Corporate Governance Consultant at the Ontario Municipal Employees Retirement System (OMERS), was preparing to respond to the proxy ballot for resolutions to be voted on at a Royal Oak Mines Inc. (Royal Oak) shareholders' meeting. Royal Oak's management was requesting that shareholders approve resolutions with respect to the granting of ESOs and the repricing of ESOs. Prior to voting the Royal Oak ESO proxies, OMERS staff wanted to prepare discussion points for a meeting among the portfolio managers, the investment committee, and Coupal to review OMERS' position with respect to voting on ESO plans and repricing ESOs.

Tittle:	THE ORALIFE GROUP, INC.
Author(s):	Robert W. White, Alkarim Jivraj and John Kamauff
Number:	996B041
Length:	29 pages
Teaching Note:	896B041
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1998-02-11
Event Date:	January 1996
Area:	Corporate Finance
Type:	Field
Key Words:	Valuing a concept company; Initial public offering; Emerging business
Abstract:	A preliminary prospectus had been filed with the securities commissions and commercial copies had been distributed. The focus of the case is on placing a value on Oralife prior to soliciting expressions of interest (road show) and on the process of making a general public offering of securities. The valuation is particularly completed because Oralife is attempting a paradigm shift in the managed dental care business, consequently, there are no similar companies.

Tittle:	OXFORD LEARNING CENTRES INC.
Author(s):	Robert W. White and Steve Dumanski
Number:	997N016
Length:	24 pages
Teaching Note:	897N016
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1997
Latest Revision:	1999-03-12
Event Date:	July 1997
Area:	Corporate Finance
Type:	Field
Key Words:	Franchise; Merger; Joint venture
Abstract:	Dr. Nick Whitehead, president and CEO of Oxford Learning Centres Inc. (OLC), was deciding in what direction to take his company. He wanted rapid growth for OLC and entrance into the United States. He was considering three options: the first was to sell majority interest of OLC to FirstService Franchise Corporation, a leading provider of essential services across North America; the second was to be acquired by Nobel Education Dynamics Inc. (Nobel), a leading U.S. company in the rapidly emerging private school market; the third was to enter into a joint venture with Childtime Learning Centers (Childtime), a leading U.S. childcare provider. All three options provided access to capital and to the U.S. market. Whitehead wondered how to compare the offers. He needed to decide soon which one to accept, if at all, or was another alternative available to him that he had overlooked?

Tittle:	P.A. BERGNER & CO. (Current name: Carson Pirie Scott & Company)
Author(s):	Robert W. White, Mark Griffiths, Will Matthews and Chris Lane
Number:	996B015
Length:	16 pages
Teaching Note:	896B015
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1998-02-06
Event Date:	July 1991
Area:	Corporate Finance
Type:	Field
Key Words:	Creditor protection; Financial strategy; Debtor-In-Possession financing
Abstract:	Bergner & Co (Bergner), a large mid-western U.S.-based department store retailer, received word that Bank One had pulled its $32.1 million letter of credit. Bergner's buyout of the Carson Pirie Scott chain in 1989 had left the firm highly leveraged, and the sudden downturn in the economy at almost the same time had severely depressed earnings, leaving the firm in critical condition. With a restructuring plan underway, management was confident in the long-run retail sales viability of Bergner. However, in the short term the company's operating line was nearing its limit, accounts payable were stretched, and a few key suppliers had started demanding cash on delivery terms. The focus of the case is to formulate a strategy to appease the bank and trade creditors, raise new funds for capital expenditures, and cover any expected shortfalls on debt service and working capital needs.

Tittle: THE POLISH PROMISSORY NOTE

Author(s): Robert W. White and Marnie Koroluk

Number: 996B036

Length: 21 pages

Teaching Note: 896B036

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1998-01-30

Event Date: June 1995

Area: Corporate Finance

Type: Field

Key Words: Emerging markets; Product innovation; Commercial paper

Abstract: Jerome Pascale as the financial director responsible for the Eastern European division of the European car manufacturer Roda, had to determine how best to finance the company's relatively young Polish operations. Pascale had decided to pursue an innovative financing strategy, a promissory note. However, he realized that there was a possibility that the National Bank of Poland would not approve the new financing vehicle before mid-July 1995. Should that be the case, Pascale would have to reassess his alternatives. It was already June. He was beginning to worry that he would not have time to implement a contingency plan if the National Bank of Poland were to reject the promissory note structure. Judging from the conversation he had just had, the National Bank of Poland's initial reaction to the promissory note structure was not positive. Jerome was wondering what, if anything, he should do.

Tittle:	PPL FOREST PRODUCTS INC.
Author(s):	Robert W. White and Marnie Koroluk
Number:	996B045
Length:	30 pages
Teaching Note:	896B045
Spreadsheet:	Yes
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1998-02-12
Event Date:	November 1994
Area:	Corporate Finance
Type:	Field
Key Words:	Financial strategy; Restructuring; Timing

Abstract: PPL Forest Products Inc. (PPL) had embarked on a debt-restructuring program. Some convincing arguments were made for raising equity capital, however, the CEO had his reservations. He expected paper prices in 1995 and 1996 to result in increased cash flows that could potentially eliminate the need to issue equity. Furthermore, he expected PPL's stock price to benefit from higher paper and paper products prices. The CEO was reluctant to dilute his ownership of the organization. Did the advantages of issuing equity outweigh these concerns? Or should PPL continue to rely on debt financing? How would further paper price increases affect the decision? What would the alternatives look like if the anticipated paper price increases did not materialize?

Tittle: PROCTER & GAMBLE — RESTRUCTURING THE EDIBLE OILS DIVISION

Author(s): Robert W. White,

Number: 996B011

Length: 15 pages

Teaching Note: 896B011

Spreadsheet: Yes

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1996-08-29

Event Date: September 1991

Area: Corporate Finance

Type: Field

Key Words: Out sourcing; Capital investment; Free cash flows

Abstract: Gus Villanueva, an analyst in Procter & Gamble's (P&G) Canadian Food and Beverage Division, was contemplating how to proceed. He had been chosen to analyse the restructuring of the Edible Oils business of P&G in order to improve its profitability without jeopardizing the quality of the product, the availability of supply, and/or the security of its research activities. Gus had decided that the financial feasibility of a move to U.S. or third party production was only part of the analysis, and that he would have to address several qualitative issues. This was a particularly important decision to P&G because Crisco, the primary brand name in edible oils, had developed a unique recipe during its production in Hamilton, Ontario, over the past several decades.

Tittle:	ROGERS COMMUNICATIONS INC. — MACLEAN HUNTER LIMITED
Author(s):	Robert W. White and David Robinson
Number:	996B046
Length:	26 pages
Teaching Note:	896B046
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1996
Latest Revision:	1996-12-06
Event Date:	February 1994
Area:	Corporate Finance
Type:	Field
Key Words:	Take-over bids; Structuring a deal; Sum-of-the-parts valuation
Abstract:	Ted Rogers, president and CEO of Rogers Communications (RCI) announced that a strategic merger was being sought with Maclean Hunter Limited (MHL). To be certain of the RCI's boards support, Mr. Rogers wanted to be well prepared for questions at the board meeting such as: Why should RCI purchase MHL? What is the most RCI would be willing to pay for MHL? What should RCI offer? Should RCI attempt to work with MHL's management to determine a price, or should RCI's bid be 'hostile?' Should the offer be in cash, stock, or both? Does RCI have the financial resources needed to take over a company twice its size? What options will be available to MHL to resist such a take over, how likely are they to use these options, and what could be done to circumvent them?

Tittle:	ROGERS COMMUNICATIONS INC.
Author(s):	Robert W. White, Graeme Falkowsky and Kathryn Montgomery
Number:	995B030
Length:	25 pages
Teaching Note:	895B030
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1995
Latest Revision:	1998-02-20
Event Date:	March 1991
Area:	Corporate Finance
Type:	Field
Key Words:	Long term financing; Complex securities; Inhospitable market
Abstract:	Graham Savage, CFO of Rogers Communications Inc. (Rogers), was scheduled to meet with Ted Rogers, President, CEO in an hour when he would recommend which type of financing method Rogers should use to fund its ongoing capital requirements. Graham had postponed completing a major financing for the last twelve months, given the tight market conditions and the recession. However, Rogers was rapidly approaching the point where fund-raising could no longer be delayed. Considering the current environment, there were few alternatives that would provide Rogers with reasonable cost financing. Merrill Lynch had proposed a Liquid Yield Option Note and ScotiaMcleod had proposed a Special Convertible Preferred Share offering.

Tittle:	SUN MEDIA CORPORATION
Author(s):	Robert W. White, Jennifer Pun and Eric Bolduc
Number:	9A99N040
Length:	26 pages
Teaching Note:	8A99N040
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1999-10-17
Event Date:	October 1998
Area:	Corporate Finance
Type:	Field
Key Words:	Take-over bids; Value Enhancement; Price Tension
Abstract:	Paul Spafford, Vice Chairman of CIBC World Markets Inc. was pondering potential strategies to undertake in the wake of Torstar Corporation's (Torstar) surprising unsolicited offer to acquire Sun Media Corporation (Sun Media). Spafford and his team now had the challenge of assessing and evaluating Torstar's unsolicited bid for Sun Media and advising Sun Media's board of directors regarding potential value-maximizing alternatives.

Tittle:	TORSTAR CORPORATION
Author(s):	Robert W. White and William Jin
Number:	9A99N031
Length:	25 pages
Teaching Note:	8A99N031
Spreadsheet:	No
Clearing House:	Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca
Case Date:	1999
Latest Revision:	1998-12-06
Event Date:	April 1998
Area:	Corporate Finance
Type:	Field
Key Words:	Dividend policy; Share buybacks; Signalling
Abstract:	The focus of the case is on the optimal utilization of excess cash flow. The vice-president of finance was reviewing the corporation's financial situation in preparation for the forthcoming board of directors' meeting. Key items on the board's agenda included Torstar's dividend policy and share repurchase strategy, along with Torstar's ability to acquire strategic investments and to maintain capital expenditure requirements.

Tittle: VENTRA GROUP INC. — PEERLESS-CASCADE

Author(s): Robert W. White and Kathryn Fric

Number: 996B017

Length: 25 pages

Teaching Note: 896B017

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1998-08-07

Event Date: June 1994

Area: Corporate Finance

Type: Field

Key Words: Acquisition; Cross border valuation; Financing strategy

Abstract: In June 1994, Dwight Rollins, vice-president of finance for Ventra Group Inc. (Ventra) was negotiating the acquisition of Peerless-Cascade, a private company with manufacturing facilities in Windsor, Ontario, and Russellville, Kentucky. Ventra's main activity was the design and manufacture of parts for the automotive industry in North America and Japan through metal stamping and assembly and plastic injection molding process from facilities in Canada, Mexico and the United States. Rollins needed to establish if the asking price of C$26 million (for the common equity) met all of Ventra*s requirements, and if so, how his company could finance the acquisition.

Tittle: **VIDÉOTRON LTÉE**

Author(s): Robert W. White, Paul Noreau and Dandeep Bhargava

Number: 996B021

Length: 15 pages

Teaching Note: 896B021

Spreadsheet: No

Clearing House: Ivey Publishing, Richard Ivey School of Business, UWO, London, ON, Canada; Phone: 519.661.3208 and email: cases@ivey.uwo.ca

Case Date: 1996

Latest Revision: 1997-11-12

Event Date: October1992

Area: Corporate Finance

Type: Field

Key Words: Hedging; Foreign exchange; High yield debt

Abstract: Vidéotron was about to launch a US$150 million 10-year high yield issue in almost a week's time. Since Vidéotron's business was transacted almost exclusively in Canadian dollars, it would be exposed to foreign exchange risk on the US-dollar denominated interest and principal debt payments. In light of the recent and dramatic depreciation of the Canadian dollar against the U.S. dollar, Mr. Toth wondered if he should hedge this exposure. The Citibank Canada exposure management team had proposed hedging techniques using either forwards or cross-currency swaps. The recent spike in Canadian interest rates, and the sharp drop in the Canadian dollar due to a worldwide currency market shake out and the recent Charlottetown accord, could signal worse things to come and thus make the debt issue a very expensive one.